

Agenda Item:

3.b

Meeting Date:

March 19, 2026

MEMORANDUM

To: City Commission

Through: Jennifer K. Bramley, City Manager

From: Sue Bartlett

Date: 2026-02-27

Subject: Second Reading of Solid Waste Ordinance 26-01 amending Section 66-101 of Chapter 66 of the Code of Ordinances

Presenter(s): Suzanne "Sue" Bartlett, Public Works Director; William "Bill" Pickrum, Sanitation & Recycling Superintendent; and Thierry Boveri, Vice President, Raftelis Consulting

Staff Recommendation: Motion to adopt on Second Reading of Solid Waste Ordinance 26-01 amending Section 66-101 of Chapter 66 of the Code of Ordinances.

Strategic Themes: Infrastructure, Planning, and Growth

Boards & Committees: Board of Finance (Oct 15 and Nov 19, 2025)

Budget Impact: The recommended rate adjustments are designed to stabilize the Solid Waste Enterprise Fund and support the targeted Operating Reserve level.

Past Action: 1.) December 2, 2025 - Rate Study presented to the Commission during their Workshop, with Consensus Direction provided to proceed with Ordinance development and Public Hearings (Agenda Item #2.a);
2.) February 19, 2026 - Public Hearing and First Reading of Ordinance 26-01, approved by Commission (Agenda Item #3.a).

Next Action: Approval of Ordinance 26-01 on Second Reading, and subsequent codification of applicable portions of the Code of Ordinances; subject to Commission approval, staff will implement the new rates as described herein.

Attachments: [Exhibit A. Ordinance 26-01 - Solid Waste \(with strikethrough edits, and Exhibit A - Rate Tables, 7 pages total\) & \[Exhibit B - Rate Study\] - \(BMO Reviewed\).pdf](#)
[Exhibit B. Board of Finance Support Email.pdf](#)

Background:

During the December 2, 2025, Commission Workshop, Raftelis Consulting Services, Inc., (Raftelis) presented its financial findings and recommendations of the Solid Waste Division Rate Study. Raftelis was previously tasked with developing a ten-year fiscal sustainability plan for the Solid Waste Division. They reviewed the current financial management plan and recommended future rate adjustments to align with the fund's financial requirements and needs.

The City's Solid Waste Division operates as a self sustaining enterprise fund. The recommendations provided by Raftelis are critical for addressing ongoing cost pressures, including annual increases in Pinellas County's tipping fees for waste disposal, the effects of high inflation on wages and benefits, and the rising operating expenses across the Solid Waste industry.

The Public Works Department continues to implement efficiencies; at this time, six (6) Solid Waste vehicles have been auctioned with a return to the fund of \$71,292. Savings also include avoidance of the associated annual maintenance costs, estimated at \$132,000 yearly, as well as future capital replacement costs of those surplus reserve units. In addition, two (2) 'Sanitation Associate' positions will not be filled in FY26, and will be recommended for elimination in FY27. These efficiencies were completed in conjunction with the Solid Waste Rate Study in order to help reduce the extent of the necessitated rate adjustments.

Raftelis' findings and recommendations have identified the need to implement a five-year rate adjustment plan. The plan begins with an initial 2-year rate adjustment during which rates will increase more substantially, followed by a 3-year period of inflationary rate adjustments linked to the 'Consumer Price Index' (CPI) for the 'Trash Collection and Disposal Industry'. By implementing a rate increase on April 1st of fiscal year 2026, the fund will generate the revenue necessary to align costs with service delivery, strengthen long-term fiscal stability, and limit the impact on rate payers over time.

The Dunedin Board of Finance (BOF) reviewed the study results and supported the recommended rate increases for fiscal years 2026 and 2027 in order to restore positive projected cash reserves (see Exhibit B). If approved, the amended solid waste rates would take effect on April 1, 2026, and remain in place through fiscal year 2030. A "Business Impact Statement" is attached as Exhibit C.

In accordance with the consensus direction provided during the December 2, 2025 Workshop meeting, and Commission approval of the First Reading of Ordinance 26-01 on February 19, 2026, staff hereby recommends a motion to adopt on Second Reading Solid Waste Ordinance 26-01 amending Section 66-101 of Chapter 66 of the Code of Ordinances, as detailed herein.